VZCZCXRO6698 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHNE #0467/01 0440932 ZNY CCCCC ZZH O 130932Z FEB 08 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 0411 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 6772 RUEHLO/AMEMBASSY LONDON 4707 RUEHMO/AMEMBASSY MOSCOW 2558 RUEHTV/AMEMBASSY TEL AVIV 0631 RUEHKO/AMEMBASSY TOKYO 5519 RUEHJM/AMCONSUL JERUSALEM 0162 RUEANAT/NASA HQS WASHDC RUEAIIA/CIA WASHDC RUEKJCS/SECDEF WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 6008 RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEHGV/USMISSION GENEVA 7537 RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 000467

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E.O. 12958: DECL: 01/29/2018
TAGS: PREL PGOV PINR TSPA MOPS IN
SUBJECT: ISRAELI DCM BRIEFS DCM ON POSITIVE TREND IN
INDIA-ISRAEL RELATIONS, "SPY" SATELLITE

REF: A. STATE 7614 • B. STATE 6152

Classified By: DCM Steven White for Reasons 1.4 (B, D)

11. (C) Summary. Israeli DCM Belotsercovsky told DCM recently that he was concerned that a renewal in criticisms from the Left and India's Muslim community could cause the Indian government to pull back from the rapid, positive trend in India-Israel relations. He refused to comment on allegations by the Indian media that an Israeli satellite recently launched by India was to spy on Asian neighbors, although he noted that one reason India was chosen was for its experience with low altitude radar technology. He was appreciative of the readout of President Bush's Middle East trip, and said that Israel welcomes the more balanced role India has played recently in the Peace Process. End Summary.

"Many Beginnings" In Peace Process

¶2. (C) DCM provided Israeli Embassy DCM Eli Belotsercovsky a readout (from reftels) of President Bush's Middle East trip in a lunch meeting on January 25. Belotsercovsky was grateful for the briefing and said that Israel was "cautiously optimistic" of prospects for advancing the Peace Process, but cautioned that it has seen "many new beginnings" over the years. The key, Belotsercovsky reasoned, will be for moderate Arab states to influence Hamas to become a more responsible actor in the process.

Overall Bilateral Relations Trending Positively, But Concern For Muslim Reaction

¶3. (C) Turning to the India angle, Belotsercovsky said Israel had been pleased with the relatively balanced role that India had played at the Annapolis conference, saying that by choosing Science Minister Kapil Sibil to deliver a message that praised the process and refrained from India's usual Israel bashing, India "sent the right man to do the right job." He praised India's \$5 million commitment at the Paris

Donors' Conference, characterizing the contribution as consistent with India's avoidance of politically sensitive aid.

 $\underline{\texttt{14}}.$ (C) Belotsercovsky expressed concerns for what has been a remarkably positive trend in India-Israel relations, whereby very public advances in bilateral ties, particularly in defense trade, have been met with decreasing attacks from India's Left and Muslim communities. Recently the Israeli Embassy has been picking up signs that Muslim protests over the India-Israel relationship have begun to rebuild, raising concerns in Tel Aviv that pressure will build on the Indian government to back off from the fast growing relations. Belotsercovsky admitted Israel will likely temper the public pace of engagement with India, although he described some new cultural and people-to-people programs Israel is considering for moderate Muslims in India. Despite the resistance, Belotsercovsky said he anticipates the upward trend in relations to continue overall, citing rapidly increasing trade relations as an indicator. He said that Indian interlocutors recently told an Israeli trade delegation that Indo-Israeli trade in agriculture is "the model" of what India hopes to do with others. He added Israel is considering establishing an agriculture attach in India, a sign of growth in agricultural trade between the two countries.

No Comment On "Spy" Satellite

 $\underline{\P}5.$ (C) In response to the DCM's query, Belotsercovsky would not acknowledge claims that a recent Israeli satellite which

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India launched was a "spy" satellite, as local press had reported. However, one of the reasons Israel had chosen India as a launch provider was because India had experience with low altitude, synthetic aperture radar technology, according to Belotsercovsky. He added that that while Israel will continue to choose American carriers, it decided to spread the wealth a bit and chose India as a sort of reward for the improved bilateral relationship.

Comment: On "Spy" Satellite

16. (C) Comment: Despite Belotsercovsky's avoidance of the subject, it is widely assumed in New Delhi, and not directly refuted by the Indian or Israeli governments, that this satellite is designed to spy on Israel's Arab neighbors, particularly Iran. One telling sign, according to Jawaharlal Nehru University professor and Israel watcher PR Kumaraswamy, was the absence of pre-launch publicity by the erstwhile chest-thumping launch provider, the Indian Space Research Organization (ISRO). The rumor mill in Delhi has it that in exchange for a good deal on the launch, Israel will provide India with imagery -- reportedly with a resolution of up to 10 centimeters -- of Pakistan and China. Reaction in New Delhi has been perhaps slightly more muted than would have been expected, with the only vocal criticism coming from predictable corners. Communist Party of India (Marxist) leader Prakash Karat demanded a detailed report by the government to parliament, saying "Any security tie-up with Israel is against independent foreign policy." Muslim press has also been actively criticizing the launch, framing it as part of a "pro-Israel" policy to appease the U.S. Visiting Delhi February 12, Iranian Foreign Ministry Spokesman Mohammad Ali Hosseini took a swipe at the satellite, claiming it was deployed to spy on Iran and other Arab countries, but, signaling that the issue will not have major ramifications for the relationship, in the same remarks reiterated the long-standing bilateral ties based on mutual respect. Whether either side ever admits to the intelligence nature of this satellite, the perception alone will test India's otherwise productive relationship with Iran. Meanwhile, the Ministry of External Affairs has announced plans to provide

new assistance to Palestinians in Gaza, providing cover to assertions it is moving too far toward Tel Aviv. If the two governments can continue to successfully manage concerns over the growing ties which Belotsercovsky describes, we can expect to see India-Israel relations reach a comfortable orbit for the long-term.

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